

BY-LAWS

JEFFERSON LOCAL DEVELOPMENT CORPORATION

Adopted August 17th, 1998
Resolution 2003-1; January 6th 2003
Resolution 2004-2; June 21st, 2004
Resolution of Support I-147; July 20th, 2004
Resolution 2005-1; November 15th, 2005
Amended September 2, 2009
Resolution Authorizing Manager; April 28th, 2010
Resolution 2010-1A; November 17th, 2010
Resolution 2015-1; February 17th, 2016
Amended October 19th, 2016

ARTICLE I

NAME

The name of the corporation shall be the “Jefferson Local Development Corporation” and it is sometimes referred to in these By-Laws as “The Corporation”.

ARTICLE II

During all Directors meetings and meetings of the Jefferson Local Development Corporation, all questions of parliamentary procedure shall be settled according to the latest edition of Robert’s Manual of Parliamentary Rules.

ARTICLE III

PURPOSE

This corporation is organized not for profit under Title 15, Chapter 23 of the Revised Codes of Montana, 1947, and the object of said corporation is to promote the general economic welfare of Jefferson County, Montana.

The corporation is organized not for profit under Title 15, Chapter 2 M.C.A. to receive and administer funds and other assets exclusively for educational and charitable purposes without pecuniary gain or profit, incidental, or otherwise, to its members. Its purpose shall be to assist business enterprises, enhance tax base, create employment opportunities, combat community deterioration and to assist in the development of projects, undertakings, studies and other activities in cooperation and in coordination with local governmental, civic bodies and other groups, corporations or individuals to aid, assist, and foster the planning, replanning, development, renewal, redevelopment, and improvement of Jefferson County, Montana. To that end, where appropriate, and in concert with the above purpose:

1. To investigate and study general and specific economic conditions within Jefferson County, Montana, with an aim to increase economic activity, employment, tax base and opportunity.
2. To use all pertinent information for promotion of potential developments and business concerns within said County.
3. To assist in funding and financing of plant and equipment for business concerns within said County, either by funds solely from its source or in conjunction with the Small Business Investment Act of 1958 and the office of Economic Development Administration of the Department of Housing and Urban Development of the United States of America, and other such programs.
4. To supplement and stimulate the flow of private equity capital and long term loan funds which small business concerns need for sound financing of these business operations and for their origin, growth, expansion, and modernization.
5. To assist local business expansion to provide a means of livelihood and expand job opportunities.
6. To provide help in establishing new business in the area and to rehabilitate existing or former businesses that have deteriorated.
7. To provide consulting and advisory services to business concerns.
8. To acquire, develop and sell, lease, transfer or assign real property for industrial development.
9. To purchase, take, receive, lease, take by gift, devise or bequest, or otherwise acquire, own, hold, improve, use and otherwise deal in and with real and personal property, or any interest therein, wherever situated.
10. To receive and administer funds from local, state and federal governments, private foundations and corporations.
11. To sell, convey, lease, or make loans, grants, or pledges of any such property, or any interest therein or proceeds therefrom, and to invest and reinvest the principal thereof and receipts therefrom, if any.
12. To borrow money upon and pledge or mortgage any such property for any purpose for which it is organized, and to issue notes, bonds, or other forms of indebtedness to secure any of its obligations.

13. To sue or be sued, complain and defend, in its corporate name.
14. To make contracts and incur liabilities, receive grants of money, both public and private, borrow money at such rates of interest as the corporation may determine, issue its notes, bonds, and other obligations and secure any of its obligations by mortgage or pledge of all or any of its property, franchises and income.
15. To carry on any of the foregoing activities or purposes either directly, or as agent for or with other persons, associations, or corporations.
16. To carry on any activity and to deal with and expend any such property or income therefrom for any of the foregoing purposes without limitation, except such limitations, if any, as may be contained in the instrument under which such property is received, the Certificate of Incorporation, the By-Laws of the Corporation, or any other limitations as are prescribed by law, provided that no such activity shall be such as is not permitted by a corporation exempt from Federal Income Tax under Section 501 (c) (6) of the Internal Revenue Code of 1954 or any corresponding future provision of the Revenue Code, and that the Corporation shall not intervene in or participate in, any political campaign on behalf of any candidate for public office, and provided further that no part of the net earnings of this Corporation shall inure to the benefit of any member or private individual and no member, director, or officer of the Corporation shall receive any pecuniary benefit from the Corporation, except such reasonable compensation as may be allowed for services actually rendered to the Corporation.
17. To have and exercise all powers necessary or convenient to effect any or all of its purposes and to have and exercise all powers granted non-profit corporations by the laws of the State of Montana.

ARTICLE IV

MEMBERS

Section 1. Membership

Section 1a. Membership in the JLDC shall be open to any resident of Jefferson County of legal age who is interested in the economic, social and community development of Jefferson County. Members will be actively recruited by the Board of Directors from all geographical, social and economic areas within the county. Applications shall be in writing. Membership fee schedule shall be determined by the Board of Directors.

Section 1b. Membership will be open to individuals residing outside of Jefferson County by invitation of the Board of Directors.

Section 1c. Any member may be expelled for cause by resolution passed by a majority vote of the remaining Board of Directors at any meeting called for this purpose. Such member shall be notified of the intention of the Board to consider his expulsion and shall be given the opportunity of a hearing before the Board. Passage of such resolution shall without other act on the part of the Board of Directors annul such membership.

ARTICLE V

DIRECTORS

Section 1. The Jefferson Local Development Corporation shall have eight (8) Directors but not more than (12) Directors. All other interested persons shall be members of the Corporation. Voting power shall be vested solely in the Board of Directors. In the event a vacancy occurs on the Board of Directors, it shall be filled by the Board of Directors voting to extend directorship to a member of the Corporation. One additional director shall be a Jefferson County Commissioner.

Section 2. Any member of the Board of Directors may resign therefrom by resignation in writing lodged with the Secretary/Treasurer.

Section 3. Any member of the Board of Directors may be removed from the position because of their failure for cause to perform their duties as such member. Such removal shall be made by a majority vote of the remaining Directors of the Corporation at a special meeting duly called and noticed for that purpose. Such meeting will be scheduled at least twenty (20) days in advance by written notice to those concerned.

Section 4. Except as otherwise provided herein, all resolutions, appointments, appropriations or other acts of the Board of Directors shall be by a majority of those present and constituting a quorum the Board of Directors.

Section 5. The initial Board of Directors shall be appointed by the Jefferson County Commission. There shall be appointed three (3) directors to serve for a term of three (3) years, three (3) directors to serve for a term of two (2) years and two (2) directors to serve for a term of one (1) year. Thereafter, the members of the Board of Directors shall be elected by ballot at the annual meeting of the Corporation by a majority vote of the members present. A slate of directors will be presented by the nominating committee consisting of the President, Vice President, and Manager. The Secretary shall publicize in the official newspaper of Jefferson County the persons nominated at least twice in the 21 days prior to the annual meeting. Additional names of candidates for directors can be submitted to

the nominating committee for consideration up to 10 days prior to the annual meeting. Each director so elected or appointed shall serve until his/her term has expired or and subject to the approval of the Board of Directors. No director shall serve more than three consecutive full terms on the Board. A director whose initial term on the Board of Directors is less than a full two-year term shall not have their initial term counted toward the maximum three-term limit. At the expiration of his/her term of office, he/she shall deliver to the Board of Directors all books, papers and property of the Corporation.

ARTICLE VI

OFFICERS

Section 1. The officers of the Corporation shall be a President, Vice President and Secretary/Treasurer. Each of the officers will be Directors of the Corporation.

Section 2. At the first meeting of the Board of Directors, the President, Vice President and Secretary/Treasurer shall be elected by ballot by a majority of the Directors present and constituting a quorum. Thereafter, at the first meeting of the Board following each annual meeting of the Corporation, officers shall be elected in the same manner by the Board. Each officer so elected shall serve for one year or until his/her successor is duly elected and qualified, except in the case of his/her earlier death, resignation or removal. Following death, resignation or removal, the Board of Directors shall appoint a replacement to fill any vacancies among the officers at the next general meeting of the Board.

Section 3. All officers, whether elected or appointed, may be removed at any time by order of the Board of Directors.

Section 4. Any officer may resign in writing lodged with the Secretary/Treasurer.

Section 5. The duties of the several officers shall be those usual to such officers in similar corporations except as otherwise expressly provided herein.

Section 6. The President, or in his/her absence, the Vice President, shall preside at all meetings of the Board of Directors, and shall sign, or countersign, all contracts or other instruments made on behalf of the Corporation, as authorized by the Board of Directors. He/she shall make reports to the Directors and perform all such other duties as are incident to his/her office or are properly required of him/her by the Board of Directors.

Section 7. The Secretary/Treasurer is the chair for the Audit Committee and shall keep an active and accurate account of all money received by and expended for the use of the Corporation. He/she shall be responsible for the safe guarding of all funds received by the Corporation and for their proper disbursements. Such funds

shall be kept on deposit in financial institutions approved by the Board of Directors. He/she shall be required to make monthly reports to the Board of Directors and an annual report at the end of each year to the members and Board of Directors. His/her books shall at all times be open to inspection by the Board of Directors and subject to audit at the Board's discretion. He/she shall sign or countersign such instruments as require his/her signature and shall perform all duties incident to his/her office, or that are properly required of him/her by the Board of Directors.

Section 8. Officers may hire or contract for the position of Manager and other staff. The Manager shall issue notices for all meetings, shall keep their minutes, shall have charge of the Seal and the Corporate Books and, with the President, shall sign such instruments as require such signature, shall make such reports and perform such other duties as are properly required of him/her by the Board of Directors. He/she shall have the custody of all monies and securities of the Corporation and shall keep regular books of account and balance the same each month. The Manager shall conduct all official correspondence, preserve all books, documents, and communications, keep books of account, maintain an accurate record of the proceedings of the Corporation, Board of Directors and all Committees. The Manager shall make recommendations to the Executive Committee on employing, supervising and dismissing employees within the budgets limitations.

ARTICLE VII

MEETINGS OF THE CORPORATION

Section 1. The annual meeting of the Corporation shall be held at the principal office of the Corporation in September each year, or at such other time or place as may be designated by the Board of Directors, for the purpose of electing Officers, receiving the annual reports and the transaction of other business. Written notice of such meetings shall be mailed by the Manager to each Member of the Board of Directors at least ten (10) days before the meeting.

Section 2. At the annual meeting of the Corporation, the Directors shall receive a report of the last fiscal year, verified by the President and the Secretary/Treasurer, showing the whole amount of real and personal property owned by the Corporation, where located and where and how invested, the amount and the nature of the property acquired during such fiscal year and the manner of the acquisition, the amount and nature of the property applied, appropriated or expended during such fiscal year, and the purposes, objects or persons to or for which such applications, appropriations or expenditures have been made. This report shall be filed with the records of the Corporation and entered upon the minutes of the proceedings of the annual meeting.

Section 3. A majority of the members must be present in person or by proxy at the annual meeting of the Corporation for the transaction of any business and if there be less than this number present, the presiding officer may adjourn the meeting until such number is present.

Section 4. The Board of Directors shall meet not less frequently than quarterly for regular meetings.

Section 5. A quorum of the Board of Directors is necessary for the transaction of business at meetings of the Board of Directors and, if such a number is not present at any meeting, the presiding office may adjourn the meeting until such a number is present.

Section 6. Special meetings of the Corporation may be called by the President, Vice President, Manager or any five members of the Corporation upon not less than five (5) days written notice to each member of the Board of Directors given by the President, Vice President or Manager or by the members calling the meeting, which notice shall state the purpose or purposes for such meetings, and the time and place of such meetings. In case of emergency meeting, the Manager may call special meetings.

Section 7. At all meetings of the Corporation, the President, Vice President or Secretary/Treasurer in the order given, shall preside if present. If none of them are present, the Manager shall preside.

Section 8. At every meeting of the Corporation, each member of the Board of Directors shall be entitled to one vote to be cast either in person or by proxy. Proxy vote authorization will be entered into the meeting minutes

Section 9. All meetings shall be open to the public except closed sessions as determined by the President.

ARTICLE VIII

SPECIAL COMMITTEES

Section 1. There shall be an Executive Committee made up of the officers, immediate past president and the Jefferson County Commission Director with the remaining ones appointed by the President. This committee shall consist of at least five (5) Directors from the Board of Directors including the President. The Manager shall be a non-voting ex-officio member and the remaining members of the committee shall be from the Board of Directors. A quorum of the Executive Committee must be present to conduct the business of the committee. Action may be taken by such committee by a majority of those present. When the Board of Directors is not in session, the Executive Committee shall have all the powers of

the Board, except those specifically reserved by the Board of Directors, and provided, however, that all expenditure of funds by this Corporation must be approved by the Board of Directors. All authority granted to the Executive Committee may be revoked by the Board of Directors at any time, but all actions taken by the Executive Committee or under authority granted by it while its authority shall remain unrevoked by the Directors shall be and remain effectual and valid for all purposes.

Section 2. The President, by and with the approval of the Board of Directors, may create such divisions as he/she shall deem necessary and shall appoint all committees and facilitate the work of the organization. Annually, the President will establish an Audit Committee and Governance Committee. The Audit Committee will be responsible for oversight of the annual audit and preparation of annual tax forms. The Governance Committee will annually review current policies and procedures and make recommendations to the Board of Directors for modifications as necessary. The President and Manager shall be ex-officio members of all committees and divisions. All committee and division organization will be subject to and governed by these By-Laws. The President shall appoint all committee chairpeople.

ARTICLE IX

GENERAL PROVISIONS

Section 1. The fiscal year of the Corporation shall be from the 1st day of July to the 30th day of June of the following year.

Section 2. The organization shall be bonded in such amount and in such manner as deemed necessary by the Board of Directors.

Section 3. The Corporation shall indemnify and hold harmless each person who shall serve at any time hereafter as a Director or Officer of the Corporation from and against any and all claims and liabilities to which such person shall become subject by reason of his/her having heretofore or hereafter been a Director or Officer of the Corporation, or by reason of any action alleged to have been heretofore or hereafter taken or omitted by him/her as such Director or Officer, and shall reimburse each person for all legal and other expenses reasonably incurred by him in connection with any such claim or liability; provided, however, that no such person shall be indemnified against, or be reimbursed for any expense incurred in connection with any claim or liability arising out of his/her willful or criminal misconduct.

The rights accruing to any person under the foregoing provisions of this article shall not exclude any other right to which he may be entitled, nor shall anything herein contained restrict the right of the Corporation to indemnify or reimburse

such person in any proper case even though not specifically herein provided for. The Corporation, its Directors, Officers, employees and agents shall be Fully protected in taking any action or making any payment under this Article VIII, or in refusing so to do, in reliance upon the advice of counsel.

Section 4. The Board of Directors will sign an annual Conflict of Interest Statement.

Section 5. The Corporation will establish and implement a Document Destruction Policy.

Section 6. The Corporation will establish and implement a Confidentiality Policy.

Section 7. The Corporation will establish and implement a Whistle Blower Policy.

ARTICLE X


AMENDMENTS

These By-Laws may be amended at any annual or special meeting of the Corporation by a majority vote of the members present and constituting a quorum, provided that written notice has been duly sent to each member of the Corporation as provided for in Article VI, Section 6 thereof.


CERTIFICATE TO BYLAWS

We, the undersigned, collectively constituting the board of directors do hereby certify that the foregoing bylaws, under the caption By-Laws of Jefferson Local Development Corporation, adopted at the organizational meeting of the such board of directors held on the 19th day of October, 2016.

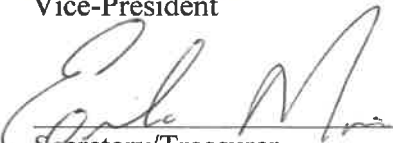
JEFFERSON LOCAL DEVELOPMENT CORPORATION



President



Vice-President



Secretary/Treasurer

